

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6605**

**BILL NUMBER:** HB 1067

**NOTE PREPARED:** Apr 9, 2007

**BILL AMENDED:** Apr 5, 2007

**SUBJECT:** Pension Issues.

**FIRST AUTHOR:** Rep. Crooks

**FIRST SPONSOR:** Sen. Meeks

**BILL STATUS:** As Passed Senate

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** (Amended) This bill:

(1) allows a member of the Teachers' Retirement Fund (TRF) who is receiving a benefit from TRF and who is a party in an action for dissolution of marriage in which: (A) the member's designated beneficiary is also a party; and (B) a final order is issued after the member's first benefit payment is made; to elect under certain conditions to change the member's designated beneficiary or form of benefit;

(2) assigns to the Pension Management Oversight Commission (PMOC) the study of TRF's structure.

**Effective Date:** July 1, 2007.

**Explanation of State Expenditures:** (Revised) The bill has the following impact on expenditures.

(1) There will be a \$250 charge that is to be paid by the member for the Fund actuary to recalculate the benefit. Benefits will be recalculated only to the extent permitted by the Internal Revenue Code and applicable regulations. Also, the TRF Board of Trustees may obtain any approvals that the Board considers necessary or appropriate from the Internal Revenue Service. In addition, there will be an administrative cost of a minimal amount to the Fund. The fund affected is the Administrative Fund.

(2) There will be no fiscal impact for the assigning to PMOC the study of TRF's structure.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Teachers' Retirement Fund; Legislative Services Agency.

**Local Agencies Affected:**

**Information Sources:** Tom Abbett, Controller, Teachers' Retirement Fund, 317-232-3826; Doug Todd of McCready & Keane, Inc., actuaries for PERF and the Legislators' Defined Benefit Plan, 317 576-1508.

**Fiscal Analyst:** James Sperlik, 317-232-9866.